

TITLE 14, CALIFORNIA CODE OF REGULATIONS
SUBDIVISION 4, OFFICE OF SPILL PREVENTION AND RESPONSE
CHAPTER 2. FINANCIAL RESPONSIBILITY
SUBCHAPTER 1. CERTIFICATES OF FINANCIAL RESPONSIBILITY
SECTION 791.7
Amended January 9, 2003

791. DEFINITIONS.

No Change.

Authority: Sections ~~8670.32(g)~~ **8670.37.53** and 8670.37.54(b) and, Government Code.
Reference: Sections 8670.3 and 8670.37.51-8670.37.58, Government Code.

791.5. SCHEDULE OF COMPLIANCE.

No Change.

Authority: Section 8670.37.54(b), Government Code.
Reference: Sections 8670.37.51-8670.37.58, Government Code.

791.7. PROCEDURES FOR APPLICATION FOR CALIFORNIA CERTIFICATE OF FINANCIAL RESPONSIBILITY.

- (a) All operators or owners of marine facilities, where a spill could impact the marine waters of the state, and operators or owners of vessels or the owners of the oil contained therein, or the operators or owners of nontank vessels, shall obtain a California Certificate of Financial Responsibility (hereafter referred to as a certificate) before operating in California. The following applications shall be used to obtain a certificate:
- (1) Application for Certificate of Financial Responsibility for Operators or Owners of Tank Vessels (application), referred to as FG OSPR Form 1925 (4/02);
 - (2) Application for Certificate of Financial Responsibility for Operators or Owners of Nontank Vessels (application), referred to as FG OSPR Form 1972 (~~4/02~~ **1/03**);
 - (3) Application for Certificate of Financial Responsibility for Marine Facilities, (application), referred to as FG OSPR Form 1924 (3/01);
 - (4) Application for Certificate of Financial Responsibility for Owners of Oil (application), referred to as FG OSPR Form 1947 (4/02); and
 - (5) Application for Certificate of Financial Responsibility for Mobile Transfer Units (application), referred to as FG OSPR Form 1946 (3/01).
 - (6) These forms shall collectively be referred to as applications and incorporated by reference herein.

- (7) The applications shall be obtained from and, upon completion, submitted to the Office of Spill Prevention and Response (OSPR) at the following address:

Department of Fish and Game
Office of Spill Prevention and Response (OSPR)
P.O. Box 944209
Sacramento, CA 94244-2090

Subsection 791.7(b) (1) through (b)(5): No Change.

(c) General Application Procedures.

- (1) All applications and supporting documents shall be prepared in English and all monetary terms shall be in U.S. currency.
- (2) All spaces on the application shall be completed with either the requested information or the phrase "Not applicable".
- (3) All applications shall be signed by the applicant or authorized representative of the applicant, whose title shall be indicated in the space provided on the application.
- (4) All applications shall be accompanied by a written delegation of authority to submit the application on behalf of the applicant where the person signing the application is an individual other than the individual applicant in the case of a sole proprietorship, a partner in the case of a partnership applicant, or an authorized ~~signor~~ signatory or official of a corporate applicant.
- (5) Operator(s) or owner(s) of nontank vessels shall submit a nonrefundable ~~USD \$100 application~~ fee per vessel with each new or renewal application as follows: This fee shall be used to cover costs incurred by the Administrator in processing the application. Do not deduct any processing fees from the ~~USD \$100~~ per vessel application fee.
 - (A) Operator(s) or owner(s) of nontank vessels with a carrying capacity of over 6,500 barrels, or over 7,500 barrels for nontank vessels owned and operated by California or a federal agency, shall submit a nonrefundable USD \$2,500 fee per vessel, or;
 - (C) Operator(s) or owner(s) of nontank vessels that have a carrying capacity greater than 500 barrels of oil and less than or equal to 6,500 barrels of oil, or a carrying capacity greater than 500 barrels of oil and less than or equal to 7,500 barrels of oil for nontank vessels owned and operated by California or a federal agency, shall submit a nonrefundable USD \$1,500 fee per vessel, or;
 - (B) Operator(s) or owner(s) of nontank vessels that have a carrying capacity of 500 barrels of oil or less shall submit a nonrefundable USD \$500 fee per vessel.

- (6) If, prior to certificate issuance, an applicant becomes aware of a material change in any of the facts contained in the application or supporting documents, the applicant shall, within five (5) business days of becoming aware of the change or changes, notify the Administrator in writing of the change.
- (7) Each certificate issued by the Administrator shall:
 - (A) except as provided in Subsection (c)(8) below, expire no later than two years following its issuance date; and
 - (B) bear its expiration date clearly on its face.
- (8) The Administrator may issue a certificate for a marine facility for a period of not longer than three years if the Administrator finds that:
 - ~~(A) the facility was operating on January 1, 1991; and~~
 - ~~(B)~~ continued operation is necessary to finance abandonment of the marine facility; and
 - ~~(C)~~ the financial resources the operator is able to demonstrate are reasonably sufficient to cover any spill-related damages from the facility.
- (9) The minimum, median, and maximum processing times for an application from the time of receipt until issuance of a certificate are as follows:
 - (A) the minimum time is same day processing;
 - (B) the median time is nineteen (19) days;
 - (C) the maximum time is ninety-two (92) days.
- (d) Application processing by the OSPR - Tankers, Nontank Vessels, Large Barges, and Owners of Oil
 - (1) Applications and evidence of financial responsibility submitted by owners or operators of tankers, nontank vessels, large barges, and owners of oil will be reviewed within twenty-one (21) calendar days of receipt by the OSPR. Certificates will be issued within that period provided that the following has been received: (1) adequate information was furnished in the application, (2) receipt of application processing fee when required, and (3) acceptable evidence of financial responsibility, as determined by the Administrator. The criteria for demonstrating financial responsibility are set forth in Section 795 of this subchapter. Amounts of financial responsibility that must be demonstrated are as follows:
 - (A) Operator(s) or owner(s) of tankers, large barges, or owners of, or persons accepting responsibility for the oil, shall demonstrate their current financial ability to pay at least one billion dollars (\$1,000,000,000).

- (B) Except as provided in (C) below, operator(s) or owner(s) of nontank vessels shall demonstrate their current financial ability to pay at least 300 million dollars (\$300,000,000) for any damages arising from an oil spill during the term of the certificate.

~~1. operator(s) or owner(s) of nontank vessels shall submit a nonrefundable USD \$100 application fee per vessel. This fee shall be used to cover costs incurred by the Administrator in processing the application.~~

~~21.~~ Certificates of financial responsibility are not required for non-self propelled nontank vessels that do not carry any oil.

- (C) Operator(s) or owner(s) of nontank vessels that have a carrying capacity of 6,500 barrels of oil or less, or a carrying capacity of 7,500 barrels of oil or less for nontank vessels owned and operated by California or a federal agency, shall demonstrate their current financial ability to pay the following appropriate amount of financial responsibility:

1. \$2,000,000 for those that have a carrying capacity from less than 1 to not more than 10 barrels;
2. \$5,000,000 for those that have a carrying capacity greater than 10 to not more than 50 barrels;
3. \$10,000,000 for those that have a carrying capacity greater than 50 to not more than 500 barrels;
4. \$18,900,000 for those that have a carrying capacity greater than 500 to not more than 1,000 barrels.
5. Those nontank vessels that have a carrying capacity greater than 1000 to not more than 6,500 barrels, or 7,500 barrels for nontank vessels owned and operated by California or a federal agency, shall determine the amount of financial responsibility as follows: subtract 1,000 barrels from the total carrying capacity of oil of the nontank vessel; multiply this amount by \$5,670 (which represents 30% of the cargo multiplied by the maximum per barrel clean-up and damage cost of spilled oil of \$18,900); then add \$18,900,000.
6. The amount of financial responsibility shall not exceed the amount required for nontank vessels as set forth in Section 8670.37.58(a) of the Government Code.
7. ~~Operator(s) or owner(s) of nontank vessels shall submit a nonrefundable USD \$100 application fee per vessel. This fee shall be used to cover costs incurred by the Administrator in processing the~~

~~application. Do not deduct any processing fees from the USD \$100 per vessel application fee.~~

87. Certificates of financial responsibility are not required for non-self propelled nontank vessels that do not carry any oil.

(2) These amounts in this subsection (d) are in effect unless amended by Section 8670.37.53(a), ~~or~~ 8670.37.58(a) or 8670.41 of the Government Code.

(23) If the information contained in the application, evidence of financial responsibility, or any supplemental information provided is insufficient, the Administrator shall notify the applicant of the nature of such insufficiency within twenty-one (21) calendar days from the date of receipt of the application and evidence of financial responsibility, or any supplemental information or additional evidence, whichever is applicable. Applicants shall then have ten (10) business days from the date of notification to provide the missing information or additional evidence.

(A) Certificates will be issued within fifteen (15) calendar days of the submission of additional evidence or supplemental information provided that acceptable evidence or adequate information was received. In the event that acceptable evidence or adequate information is not received, the Administrator may deny the application by providing written notice specifying the reasons for the denial following the ten (10) day period set forth in Subsection (d)(3) above.

Subsection 791.7(e): No Change.

(f) Application renewals.

- (1) Certificate renewal applications shall be accepted by the Administrator no earlier than ninety (90) calendar days prior to the expiration ~~date carried by~~ of the existing certificate. In order to ~~receive a~~ renewal a certificate prior to the expiration date ~~carried by the~~ of the existing certificate, renewal applications must be submitted no later than forty-five (45) calendar days prior to the expiration date.
- (2) If at any time after a certificate has been issued, a holder of a certificate becomes aware of a material change in any facts contained in the application or supporting documents, including the holder ceasing to be the owner or operator of the tanker, barge, nontank vessel, or marine facility, or the owner of the oil, the holder of the certificate shall notify OSPR, in writing, within five (5) business days of becoming aware of the change.
- (3) Operator(s) or owner(s) of nontank vessels shall submit a nonrefundable ~~USD \$100 application~~ fee per vessel, as set forth in Section 791.7(c)(5) of this subchapter. ~~This fee shall be used to cover costs incurred by the Administrator in processing the application.~~ Do not deduct any processing fees from the ~~USD \$100 per vessel application~~ fee.

Subsection 791.7(g) through (h): No Change.

Authority: Sections 8670.41, 8670.37.54(b) and 8670.37.58(~~a~~), Government Code.
Reference: Sections 8670.41, 8670.37.53, (~~a~~) and 8670.37.54(~~b~~), and 8670.37.58 Government Code.

792. CERTIFICATION REQUIREMENTS: TANKERS, NONTANK VESSELS, LARGE BARGES, AND OWNERS OF OIL.

No Change.

Authority: Sections 8670.37.54(b), 8670.37.51, 8670.37.53, and 8670.37.58 ~~8670.32(i)~~, Government Code.
Reference: Sections 8670.37. ~~52~~ 51-8670.37.58 and 8670.56.6, Government Code.

793. CERTIFICATION REQUIREMENTS: SMALL BARGES, MARINE FACILITIES, SMALL MARINE FUELING FACILITIES, MOBILE TRANSFER UNITS, AND VESSELS CARRYING OIL AS SECONDARY CARGO.

No Change.

Authority: Sections 8670.37.51, 8670.37.53(b) and 8670.37.54(b), Government Code.
Reference: Sections 8670.37. ~~52~~ 51 -8670.37. ~~54~~ 57 and 8670.56.6, Government Code.

794. MULTIPLE VESSELS/FACILITIES CERTIFICATIONS.

No Change.

Authority: Sections 8670.37.54(b), 8670.37.55 and 8670.37.58(~~a~~), Government Code.
Reference: Sections 8670.37.55-~~8670.37.56~~, Government Code.

795. EVIDENCE OF FINANCIAL RESPONSIBILITY.

No Change.

Authority: Sections 8670.37.53, 8670.37.54(b) and 8670.37.58(~~a~~), Government Code.
Reference: Sections 8670.37.53, 8670.37.54 and 8670.56.5, Government Code.

796. CERTIFICATE REVOCATION.

No Change.

Authority: Sections 8670.37.54(b), 8670.37.56 and 8670.37.58(~~a~~), Government Code.
Reference: Sections 8670.37.54-8670.37.56, Government Code.

797. REPORTING AND SUSPENSION.

No Change.

Authority: Sections 8670.37.54(b), **8670.37.56** and 8670.37.58(~~a~~), Government Code.

Reference: Sections 8670.37.54-8670.37.56, Government Code.